

Contact: Joan Racki

MINUTES OF APRIL 23, 2014, COMMITTEE MEETING

**BOARD OF REGENTS, STATE OF IOWA
PROPERTY AND FACILITIES COMMITTEE**

**COMMUNITY ROOM
LIED MULTI-PURPOSE COMPLEX
IOWA SCHOOL FOR THE DEAF
IOWA CITY, IOWA**

Committee Members Present

Regent Milt Dakovich, Chair

Regent Larry McKibben

Doug True, University of Iowa Senior Vice President & Treasurer, Finance & Operations

Warren Madden, Iowa State University Senior Vice President for Business and Finance

Michael Hager, University of Northern Iowa Vice President for Administration & Financial Services

Patrice Sayre, Board of Regents Chief Business Officer

Presenters

John Staley, University of Iowa Hospitals and Clinics Senior Associate Director

David Kieft, University of Iowa Business Manager

Sally Mason, University of Iowa President

Rod Lehnertz, University of Iowa Director of Planning, Design and Construction; Department of Facilities Management

Don Boddicker, Iowa School for the Deaf/Iowa Braille Sight Saving School Director of Business Operations

Chair Dakovich called the meeting to order at 3:35 p.m.

Minutes of March 12, 2014, Committee Meeting

In review of the minutes of the March 12, 2014 meeting, Chair Dakovich stated that on Agenda Item 5 - University of Iowa Flood Update - he had asked Senior Vice President Doug True if he was aware of any other entity which had been granted a waiver of the requirement for insurance on a building-by-building basis. Chair Dakovich stated that he received a response from Vice President True subsequent to the March meeting and that Vice President True indicated that he was not aware of any other entity in which the insurance requirements had been addressed as they had been for the University of Iowa.

The minutes were approved by General Consent.

Agenda Item 2 - Register of University of Iowa Capital Improvement Business Transactions

Senior Vice President Doug True introduced UIHC Senior Associate Director John Staley to present the two projects for the University of Iowa Hospitals and Clinics (UIHC) included on the University's Register of Capital Improvement Business Transactions. Director Staley provided an overview of the UIHC – Pediatric Cardiac Catheterization Laboratory Relocation / Expansion and Level 3 - 6 John Pappajohn Pavilion Connectors to UI Children's Hospital and UIHC Centralized Emergency Power Generation Facility projects.

Chair Dakovich asked if UIHC would be utilizing a construction manager for the Centralized Emergency Power Generation Facility. Senior Associate Director Staley stated that UIHC would be using one, but that it had yet been named. (Subsequent to the Committee meeting, UIHC Capital Management informed the Board Office that a decision had been made recently not to use a construction manager.)

Regent McKibben asked how changes in the EPA (Environmental Protection Agency) Ambient Air Standards regarding the location of the backup emergency electrical generators impacted the cost. Senior Associate Director Staley responded that locating the generators away from the UIHC campus increased the cost by approximately \$9 million.

The Committee, by General Consent, recommended to the Board approval of:

The following actions for the **UIHC – Pediatric Cardiac Catheterization Laboratory Relocation / Expansion and Level 3 - 6 John Pappajohn Pavilion Connectors to UI Children's Hospital and UIHC Centralized Emergency Power Generation Facility** projects, major capital projects as defined by Board policy:

1. Acknowledge receipt of the University's final submission of information to address the Board's capital project evaluation criteria (Attachments A and B of memorandum);
2. Accept the Board Office recommendation that the projects meet the necessary criteria for Board consideration; and
3. Approve the schematic designs, and project descriptions and budgets (\$11,348,700 for Pediatric Cardiac and \$23,000,000 for Emergency Power), with the understanding that approval will constitute final Board approval and authorization to proceed with construction.

Senior Vice President True presented the remaining project information. The Committee, by General Consent, recommended to the Board approval of:

1. Authorization to proceed with project planning, including the design professional selection process, for the **Power Plant - Air Regulation Compliance** project; and
2. The project description and budget (\$5,625,100) for the **Oakdale Chilled Water Plant – Capacity Upgrades** project.

Agenda Items 3a and 3b - University of Iowa Proposed Property Purchases

Senior Vice President True introduced David Kieft, University of Iowa Business Manager, to present the proposed property purchases. Mr. Kieft noted that closing on the Clinton Street properties would not occur soon; final payment is due on or before August 1, 2018, at which time closing would occur. The owner, however, could accelerate the closing date with 60 days' notice to the University.

By General Consent, the Committee recommended to the Board approval of the following purchases for the benefit of the University of Iowa, subject to approval of the final documents by the Board Office and Attorney General's Office:

1. 605 and 615 East Jefferson Street, Iowa City, from Iowa Pediatric Associates of Iowa City Building Partnership, LLP at a price of \$1,095,000; and 2591 and 2593 Holiday Road, Coralville, from North Corridor Medical Offices LLC at a price of \$3,015,000; and a waiver of Board Policy 9.02 C.2 (maximum purchase price based on appraisal).
2. 120 North Clinton Street; Iowa City, from PP One, Inc. and 124-126 North Clinton Street from PP Two, Inc., Iowa City at a price of \$1,800,000.

Agenda Items 4a and 4b - University of Iowa Proposed Namings

President Sally Mason presented the University of Iowa Proposed Namings and noted that she was thrilled that Mary Louise Petersen had agreed to have the new residence hall named for her. President Mason stated that naming the learning commons in the new west campus residence hall continues to recognize Mr. Rehder for his more than 50 years of service to University housing and dining.

By General Consent, the Committee recommended to the Board approval of:

1. The naming of the new west campus residence hall as the Mary Louise Petersen Residence Hall; and
2. The naming of the residential learning commons located in the new west campus residence hall as the Theodore M. Rehder Residential Learning Commons

Agenda Item 5 - Register of Iowa State University of Capital Improvement Business Transactions

Iowa State University Senior Vice President for Business and Finance Warren Madden presented the Register of Iowa State University Capital Improvement Business Transactions. He noted that improvements to the Hach Hall basement would be funded by private funds,

By General Consent, the Committee recommended to the Board approval of:

1. The following actions for the **Hach Hall - Basement Research Laboratories** project:
 - a. Acknowledge receipt of the University's initial submission of information to address the Board's capital project evaluation criteria (Attachment A of memorandum);
 - b. Accept the Board Office recommendation that the project meets the necessary criteria for Board consideration; and
 - c. Authorize permission to proceed with project planning including the design professional selection process.
2. The revised project budget (\$4,850,000) for the **Utilities – Haber Road Substation Expansion** project.

Agenda Item 6 - Jack Trice Stadium Improvements – Phase 3 South End Zone and Green Space - Videoboard and Sound System Equipment Purchase

Senior Vice President Madden presented the request. Patrice Sayre, Board Chief Business Officer, asked whether the new scoreboard would be a mirror reflection of north end scoreboard. Senior Vice President Madden stated that the new scoreboard would probably be an upgrade because technology has improved. However, generally, it would mirror the size and number of pixels of the north end scoreboard.

Chair Dakovich asked if there was any salvage, trade-in value, or planned repurposing of the old scoreboard. Senior Vice President Madden answered that the University would try to explore those options.

By General Consent the Committee recommended to the Board approval of the request by Iowa State University to purchase from Daktronics, Inc., subject to completion of satisfactory negotiations with the firm, a new video scoreboard for the south end zone of Jack Trice Stadium and other enhancements such as a ribbon-board and improvements to the sound system.

Agenda Item 7 – Institutional Agreements, Leases and Easements

Policy and Operations Officer Joan Racki presented the request.

Senior Vice President Madden provided a more detailed explanation of the agreement with Blank Park Zoo, stating that agreement would provide valuable teaching space for College of Veterinary Medicine students for the College's program in exotic animals. He noted that the 2013 General Assembly appropriated \$1 million to be used by the College of Veterinary Medicine for renovations and improvements at the Veterinary Services Building located at the Zoo.

In response to a question from Chief Business Officer Sayre, Senior Vice President Madden responded that the Zoo would oversee the facility improvements, but Iowa State University would also ensure that the improvements meet its needs. After the renovations are complete, the University would reimburse the Zoo for eligible expenses up to \$1 million.

By General Consent, the Committee recommended to the Board approval, for the benefit of Iowa State University, of the Blank Park Zoo and Facility Renovation and Use Agreement and an amendment to the lease with BB Holdings LLC for space at 10861 Douglas Avenue in Urbandale, IA (space used by Iowa State University Extension and Outreach), subject to approval of the final documents by the Attorney General's Office and the Board Office.

Agenda Item 8 - University of Iowa Update of Flood Recovery Status

Senior Vice President True stated four reports were submitted as they are for each meeting. He stated that monies were coming in, and projects were progressing. He asked Rod Lehnertz, University of Iowa Director of Planning, Design and Construction; Department of Facilities Management, to give more details on the University's progress.

Director Lehnertz gave an update on the status of the replacement projects (Art Building, Hancher Auditorium and Voxman Hall), and the restoration and mitigation projects. Historic finds have been discovered at the construction sites of the Iowa Memorial Union and Iowa Advanced Technology Laboratory projects. Construction progress continues to keep on track even though this past season saw 32 days of weather related delays compared to a normal winter of 6 days of delays. He concluded by noting that great interest had been expressed in the RFQ for the Museum of Art Replacement project. Proposals are due July 1, 2014.

The Committee received the report.

Agenda Item 10 - Register Of Iowa School for the Deaf Capital Improvement Business Transactions

Don Boddicker, Iowa School for the Deaf/Iowa Braille Sight Saving School Director of Business Operations, presented the request for improvements to the Iowa School for the Deaf's Superintendent's House. He explained the proposed interior updates and exterior repairs.

By General Consent the Committee recommended to the Board approval of the Iowa School for the Deaf's request for approval of the project description and budget (\$70,000) for the Superintendent's House Modifications project and the delegation to the Executive Director to approve an increase in this budget, if needed.

Agenda Item 9 - Discussion of Future Committee Agenda Items

Policy and Operations Officer Joan Racki indicated that at the June meeting, in conjunction with the presentation of FY2015 capital plans, the universities would have approximately 10 minutes each to present to the Committee their internal capital processes and how projects are prioritized. She also reminded Committee members that August is a telephonic Board meeting; items for consideration should be minimized if at all possible.

Chair Dakovich adjourned the meeting at 4:15 p.m.

The corresponding docket memorandum for each agenda item, an integral component of the minutes, is available on the Board of Regents website: <http://www.regents.iowa.gov/>. Copies of these memoranda can also be obtained from the Board Office by calling 515-281-3934.